

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN

In re:

BARFLY VENTURES, LLC, *et al.*¹

Debtors.

Chapter 11
Case No. 20-01947-jwb
Hon. James W. Boyd

Jointly Administered

STIPULATION TO ADJOURN SALE HEARING AND CURE HEARINGS

Barfly Ventures, LLC, et al. (the “Debtors”), the Objecting Creditors (as defined below), the Official Committee of Unsecured Creditors of Barfly Ventures, LLC et. al. (the “Committee”), Congruent Credit Opportunities Fund III, LP, Main Street Capital Corporation, and HMC Income Fund, Inc. c/o, CIIP Administrative, LLC (the “Lender”) and Project BarFly LLC (the “Stalking Horse Bidder”) have stipulated to entry of an *Order Adjourning the Sale Hearing and Related Hearings Regarding Cure Objections* in the form attached hereto as **Exhibit A**. In support thereof, the parties state the following:

1. On July 9, 2020, the Debtors filed the *Motion of Debtors for Entry of (I) an Order (A) Approving Bidding Procedures and Scheduling Sale Hearing, (B) Approving the Form of the Asset Purchase Agreement, Including the Bid Protections, and (C) Granting Related Relief; and*

¹ The Debtors are: Barfly Ventures, LLC (8379), Barfly Management, LLC (6274), 9 Volt, LLC (d/b/a HopCat)(1129), 50 Amp Fuse, LLC (d/b/a Stella’s Lounge)(3684), GRBC Holdings, LLC (d/b/a Grand Rapids Brewing Company)(2130), E L Brewpub, LLC (d/b/a HopCat East Lansing)(5334), HopCat-Ann Arbor, LLC (5229), HopCat-Chicago, LLC (7552), HopCat-Concessions, LLC (2597), HopCat-Detroit, LLC (8519), HopCat-GR Beltline, LLC (9149), HopCat-Holland, LLC (7132), HopCat-Indianapolis, LLC (d/b/a HopCat-Broad Ripple)(7970), HopCat-Kalamazoo, LLC (8992), HopCat-Kansas City, LLC (d/b/a HopCat,-KC, LLC and Tikicat)(6242), HopCat-Lexington, LLC (6748), HopCat-Lincoln, LLC (2999), HopCat-Louisville, LLC (0252), HopCat-Madison, LLC (9108), HopCat-Minneapolis, LLC (8622), HopCat-Port St. Lucie, LLC (0616), HopCat-Royal Oak, LLC (1935), HopCat-St. Louis, LLC (6994), Luck of the Irish, LLC (d/b/a The Waldron Public House, LLC and McFadden’s Restaurant Saloon)(4255).

(II) an Order (A) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances, and Other Interests, (B) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (C) Granting Related Relief (the "Sale Motion").

2. On July 22, 2020, the Court entered the Order (A) Approving Bidding Procedures and Scheduling Sale Hearing; (B) Approving the Form of the Asset Purchase Agreement, Including Bid Protections, and (C) Granting Related Relief (the "Procedures Order").

3. Under the Procedures Order, the Court scheduled a hearing on the Sale Motion for August 27, 2020 at 10:00 a.m. to approve the sale of Debtors' assets (the "Sale Hearing").

4. The Sale Hearing was later adjourned to September 15, 2020 at 10:00 am.

5. Further, consistent with the Procedures Order, Debtors sent a *Notice of Assumption and Assignment of Executory Contracts and Unexpired Leases* (the "Cure Notice") to various counter-parties to the Debtors' unexpired leases and executory contracts. In the Cure Notice, Debtors provided the counter-parties to the unexpired leases and executory contracts with notice of the cure amounts that the Debtors believe would satisfy any actual and pecuniary losses due to such counter-parties pursuant to their books and records.

6. The following creditors objected to the Cure Notice, each alleging that the Debtors' proposed cure amount was incorrect: A&G Partnership, LLC [Dkt. 216], Project Oscar, LLC [Dkt. 217], Liberty Maynard, LLC [Dkt. 220], JK East Beltline Real Estate LLC [Dkt. 223], Fourth Enterprises, LLC f/n/a HotSchedules [Dkt. 225], Gordon Food Service, Inc. [Dkt. 228], and Ionia Ventures, LLC [Dkt. 259] (collectively, the "Objecting Creditors").²

² 222 Venture, LLP also filed an objection to the Cure Notice. [See Dkt. 227]. Debtors, however, rejected this lease effective August 31, 2020 and therefore this objection is moot.

7. The Court scheduled hearings on August 27, 2020 at 10:00 a.m. for each of the Objecting Creditors' objections to the Cure Notice (collectively, the "Cure Hearings").

8. The Cure Hearings were adjourned to September 15, 2020.

9. The Debtors and the Stalking Horse Bidder are continuing to negotiate the terms of a transaction involving the assets and liabilities of the Debtors. Further, the Stalking Horse Bidder is still reviewing the Debtors' executory contracts and unexpired leases to determine which executory contracts and unexpired leases it may acquire. Likewise, the Stalking Horse Bidder is still in the process of providing adequate assurance to the various landlords whose unexpired leases will be assumed. Finally, the parties need additional time to negotiate the final cure amounts that may be due to the Objecting Creditors.

10. The parties agree that the deadline for the Committee and the United States Trustee to file a response to the Sale Motion is adjourned until September 23, 2020 at 5:00 p.m. (eastern time).

WHEREFORE, the parties respectfully request that the Court enter an order in the form attached hereto as **Exhibit A** adjourning the Sale Hearing and the Cure Hearings until September 25, 2020 at 10:00 a.m. (Eastern Time).

Agreed to and submitted by:

WARNER NORCROSS + JUDD LLP
Attorneys for Debtors

By: /s/ Elisabeth M. Von Eitzen
Elisabeth M. Von Eitzen (P70183)
150 Ottawa Avenue, NW, Suite 1500
Grand Rapids, Michigan 49503
Telephone: (616) 752-2418

JAFFE RAITT HEUER & WEISS, P.C.
Attorneys for Official Committee of
Unsecured Creditors

By: /s/ Paul R. Hage
Paul R. Hage
27777 Franklin Road, Suite 2500
Southfield, Michigan 48034
Telephone: (248) 727.1543

PAUL HASTINGS LLP

Attorneys for Stalking Horse Bidder and CIP
Administrative, LLC, as Administrative Agent

By: /s/ Nathan Gimpel
Nathan Gimpel
71 South Wacker Drive, 45th Floor
Chicago, Illinois 60606
Telephone: (312) 499-6000

RHODES MCKEE

Attorneys for Ionia Ventures, LLC

By: /s/ Patrick Sweeny
Patrick Sweeny
55 Campau Avenue NW, Suite 300
Grand Rapids, Michigan 49503
Telephone: (616) 233-5262

RHODES MCKEE

Attorneys for Project Oscar, LLC

By: /s/ David E. Bevins
David E. Bevins
55 Campau Avenue NW, Suite 300
Grand Rapids, Michigan 49503
Telephone: (616) 235-3500

WITTE LAW OFFICES, PLLC

Attorneys for A & G Partnership, LLC.

By: /s/ Norman C. Witte
Norman C. Witte
119 E. Kalamazoo Street
Lansing, Michigan 48933
Telephone: (517) 485-0070

FROST BROWN TODD LLC

Attorneys for First Savings Bank

By: /s/ Ronald E. Gold
Ronald E. Gold
3300 Great American Tower
301 East Fourth Street
Cincinnati, Ohio 45202
Telephone: (513) 651-6800

CLARK HILL PLC

Attorneys for Fourth Enterprises, LLC f/n/a
HotSchedules

By: /s/ Shannon L. Deeby
Shannon L. Deeby
151 S. Old Woodward, Suite 200
Birmingham, Michigan 48009
Telephone: (248) 988-5889

JACOB & WEINGARTEN, P.C.

Attorneys for Liberty Maynard, LLC

By: /s/ Howard S. Sher
Howard S. Sher
25800 Northwestern Hwy., Suite 500
Southfield, Michigan 48075
Telephone: (248) 649-1900

ICE MILLER LLP

Attorneys for Gordon Food Service, Inc.

By: /s/ John C. Cannizzaro
John C. Cannizzaro
250 West Street, Suite 700
Columbus, Ohio 43215
Telephone: (614) 462-1070

WARDROP & WARDROP, P.C.

Counsel for JK East Beltline Real Estate, LLC

By: /s/Robert F. Wardrop, II
Robert F. Wardrop, II
300 Ottawa Avenue, NW, Suite 150
Grand Rapids, Michigan 49503
Telephone: (616) 459-1225

Dated: September 14, 2020

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN**

In re:

BARFLY VENTURES, LLC, *et al*,¹

Debtors.

Chapter 11
Case No. 20-01947-jwb
Hon. James W. Boyd

Jointly Administered

ORDER ADJOURNING SALE HEARING AND CURE HEARINGS

The Court has reviewed the stipulation between the Debtors,² the Objecting Creditors, the Committee, the Lender and the Stalking Horse Bidder, which requests that the Court issue an order adjourning the Sale Hearing and the Cure Hearings, which are currently set for September 15, 2020 at 10:00 a.m. The Court has determined to grant the request for an order approving that stipulation without further notice or hearing, therefore:

IT IS ORDERED THAT:

1. The Court will conduct a status conference on **September 15, 2020 at 10:00 a.m. (Eastern Time)**. The status conference will be conducted by videoconferencing using the Zoom Cloud Meeting Program/App.

¹ The Debtors are: Barfly Ventures, LLC (8379), Barfly Management, LLC (6274), 9 Volt, LLC (d/b/a HopCat)(1129), 50 Amp Fuse, LLC (d/b/a Stella's Lounge)(3684), GRBC Holdings, LLC (d/b/a Grand Rapids Brewing Company)(2130), E L Brewpub, LLC (d/b/a HopCat East Lansing)(5334), HopCat-Ann Arbor, LLC (5229), HopCat-Chicago, LLC (7552), HopCat-Concessions, LLC (2597), HopCat-Detroit, LLC (8519), HopCat-GR Beltline, LLC (9149), HopCat-Holland, LLC (7132), HopCat-Indianapolis, LLC (d/b/a HopCat-Broad Ripple)(7970), HopCat-Kalamazoo, LLC (8992), HopCat-Kansas City, LLC (d/b/a HopCat,-KC, LLC and Tikicat)(6242), HopCat-Lexington, LLC (6748), HopCat-Lincoln, LLC (2999), HopCat-Louisville, LLC (0252), HopCat-Madison, LLC (9108), HopCat-Minneapolis, LLC (8622), HopCat-Port St. Lucie, LLC (0616), HopCat-Royal Oak, LLC (1935), HopCat-St. Louis, LLC (6994), Luck of the Irish, LLC (d/b/a The Waldron Public House, LLC and McFadden's Restaurant Saloon)(4255).

² All capitalized terms not otherwise defined have the same meaning as set forth in the Stipulation.

2. Any party or attorney who wishes to appear at the Status Conference must register by no later than **September 14, 2020 at 1:00 p.m.** Eastern time. Information about registration is available on the Court's website under Covid-19 Notices, <https://www.miw.uscourts.gov/covid-19-notices>. Parties who have already registered with the Court for the August 27, 2020 or the September 15 hearing do not need to re-register.

3. The Sale Hearing and Cure Hearings will be held before the Court on **September 25, 2020 at 10:00 a.m. (Eastern Time)**, or as soon thereafter as counsel and interested parties may be heard; *provided*, the Debtors may seek an adjournment of the Sale Hearing, consistent with the Procedures Order.

4. The deadline for the Committee and the United States Trustee to file a response to the Sale Motion is adjourned until September 23, 2020 at 5:00 p.m. (eastern time).

5. The Sale and Cure Hearings will be conducted by videoconferencing using the Zoom Cloud Meeting Program/App. Any party or attorney who wishes to appear at the Sale and Cure Hearings must register by no later than **September 24, 2020 at 1:00 p.m.** Eastern time. Information about registration is available on the Court's website under Covid-19 Notices, <https://www.miw.uscourts.gov/covid-19-notices>. Parties who have already registered with the Court for the August 27, 2020 or the September 15 hearing do not need to re-register.

END OF ORDER

Order prepared and submitted by:
WARNER NORCROSS + JUDD LLP
Elisabeth M. Von Eitzen (P70183)
150 Ottawa Avenue, NW Ste. 1500
Telephone: (616) 752-2418
Facsimile: (616) 222-2418
evoneitzen@wnj.com
Counsel for Debtors